



Monarchs Overtime Policy

www.monarchsgym.com

info@monarchsgym.com

3599 Old Conejo Road., Newbury Park, CA 91320 (805) 375-4663
5331 Derry Ave Ste H-C, Agoura Hills, CA 91301 (818) 889-3634

Policy Brief & Purpose

Our **company overtime policy** explains how we'll compensate employees for hours worked beyond their standard schedule. We want to:

- Ensure employees will be consistently and correctly compensated for the time they put into their job duties.
- Minimize incidents of overtime abuse, loss of productivity, health and safety risks and other issues.

This company overtime policy won't contradict any legal guidelines. We'll follow relevant legislation when assigning or compensating overtime hours.

Scope

This policy applies to all our current eligible employees.

Policy Elements

In our company overtime policy, "standard working hours" are an employees' regularly scheduled working time. They're usually specified in employee schedules and follow legal guidelines regarding minimum or maximum limits. "Overtime" that qualifies for compensation refers to any amount of time worked in addition to those hours.

- All hours worked in excess of eight hours in one workday or 40 hours in one workweek will be treated as overtime. A workday begins at 12:01 a.m. and ends at midnight 24 hours later. Workweeks begin each Sunday at 12:01 a.m.;
- Compensation for hours in excess of 40 for the work week, or in excess of eight and not more than 12 for the workday, and for the first eight hours on the seventh consecutive day of work in one work week, shall be paid at a rate one and one-half times the employee's regular rate of pay;
- Compensation for hours in excess of 12 in one workday and in excess of eight on the seventh consecutive workday in a work week shall be paid at double the regular rate of pay; and
- Exempt employees may have to work hours beyond their normal schedules, as work demands require. No overtime compensation will be paid to exempt employees.

Our policy's general rules are:

- We'll classify our employees as exempt or non-exempt according to overtime pay laws.
- Non-exempt employees who work more than the standard working hours will be entitled to overtime pay.
- Employees are entitled to overtime pay regardless of where they work, as long as they perform work that our company accepts for its business purposes.

Excessive Overtime

Overtime may be necessary to handle emergencies, heavy workloads or other issues. But, frequent and excessive overtime isn't good for employees' health and performance. The law may or may not permit excessive overtime, but we want to avoid productivity and morale loss or work-related accidents due to fatigue.

For this reason, **we will**:

- Record overtime hours accurately and consistently.
- Advise employees to work overtime only when they have to finish urgent work.
- Have all necessary provisions to allow employees to complete their work during standard working hours.
- Take measures to gradually reduce overtime when we observe a decline in work quality or other issues due to excessive working hours.
- Set a daily/weekly cap for overtime at 30 min per day/ 5 hours per week. Employees who work more than that will be compensated according to legal requirements. But, we advise employees to respect this limit.

We will not:

- Ask employees to work more than the maximum number of hours per day or week permitted by law.
- Discriminate when choosing who has to work overtime and how they'll be compensated for it.

Who are exempt employees?

The law may exempt some employees from overtime compensation. These employees will receive overtime at our company's discretion. All company provisions about excessive overtime will apply to exempt employees too.

Abuse of overtime

We want to avoid any incidents of abuse of the overtime system, either by our company or employees, that may result in legal confrontation. We expect:

- Managers to avoid asking or encouraging their team members to work excessive overtime.
- Employees to avoid working unnecessary overtime aiming for the highest pay, as this may result in a trade off with the quality of their work.

We are bound to compensate overtime pay at correct pay rates in a timely manner. Employees and managers should follow our timekeeping systems, so we can maintain accurate records.

Employees should read this policy and direct any questions to our Human Resources (HR) department.

Procedure

To comply with record keeping and overtime compensation requirements, we need a smooth procedure. We should record overtime timely. This is our suggested procedure:

- Team members and their managers agree on the hours of overtime needed. Overtime should not exceed any legal limits and employees shouldn't end up working excessive hours.
- Managers should know whether their team members are non-exempt or exempt and ensure their team members are aware.
- Team members and managers accurately record overtime.
- Administration/ HR calculates overtime pay according to legal pay rates.
- Team members receive their overtime compensation in the next scheduled pay period.